

Police Mutual

Part of  ROYAL LONDON

Essex Police

Financial Wellbeing Dashboard

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Sep 21 Dashboard Updates

Police Pay & Morale Survey 2020

“Just under a third of respondents said that their household was worse off financially now than before the COVID-19 crisis”

“65% of respondents said that COVID-19 has had a negative impact on their morale”

“59% of respondents said that they feel financially worse off compared to five years ago”

“Around a third of respondents worried about the state of their personal finances either every day or almost every day”

28% of respondents to the survey were female, 72% were male, and the average age of respondents was 41 years. The majority of respondents were Constables (72%) with 20% of respondents at the rank of Sergeant, 7% at the rank of Inspector and 1% at the rank of Chief Inspector. This is broadly representative of the policing population as a whole

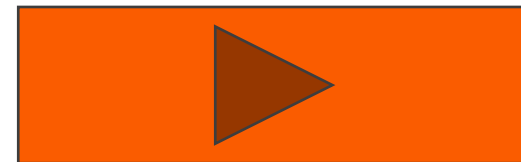
How financially resilient is your household?

The Financial Resilience Survey is a tool to enable you to assess your own financial resilience.

Whilst providing some hints and tips, there are lots of signposting to approaches to help you to develop further resilience in a variety of areas.

The Survey is confidential and no individual information will be shared with third parties or members of the Police

<https://www.surveymonkey.co.uk/r/6T5TMWT>

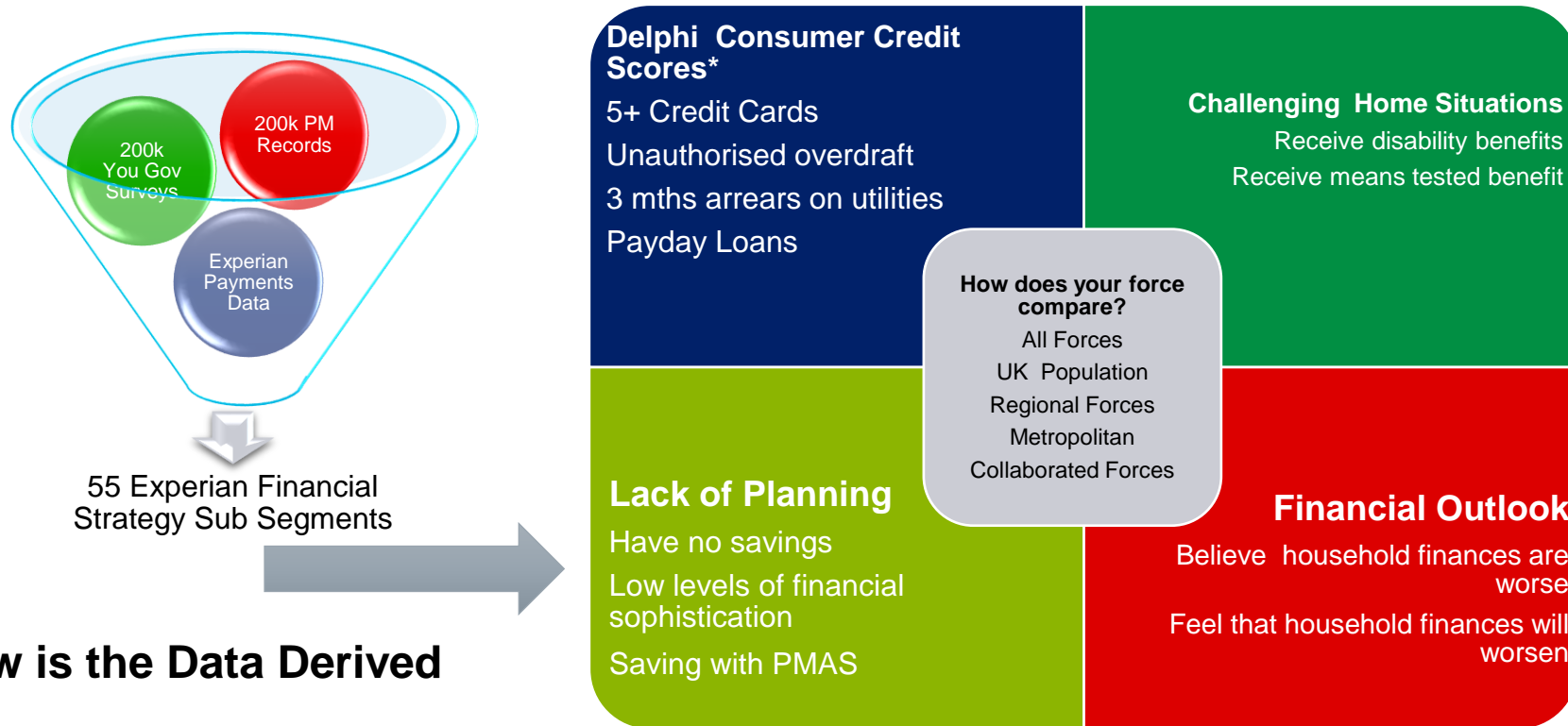


Link between mental and financial health

The links between individual financial health and how it effects mental and physical health are well established. Indicators of financial pressures in the workplace include:

- distracted staff
- stress-related illnesses
- reputational risk
- professional standards and integrity issues
- dips in performance
- absenteeism
- second jobs
- health and safety incidents
- increase in working hours
- increased attrition rates
- Resignation
- frequently requesting overtime

Financial Wellbeing Dashboard



How is the Data Derived

Using c 200k+ officer and staff data we have on our database, these have been assessed and put into one of Experian's 15 Financial Strategy Segments which are then further divided into 55 sub groups.

Attributes have been established by Experian using both payments and arrears information combined with robust survey results representing a full national coverage. The results do not identify specific individuals, however it is the best estimation of likely numbers based on the propensity of the cohort segment to behave in line with their nominated Financial Strategy Sub group segment.

*Delphi Scores, whilst anonymised data is matched with an Experian record and our reports show the level of matching against our database.

Experian & Police Mutual Developments

Experian Insights

New Delphi Scale

0-1000 is now 0-1400 making Delphi more granular in its analysis

Delphi no longer matches on individual but household so more accurately reflects home situation

+5.8%

more matches of data

What is the impact ?

Experian advise that the realignment highlights more households that are in the most vulnerable "Red " categories due to other members of the household having worse Delphi scores bringing the average down

Simplification

The Delphi dashboard has been simplified to show only Red, Amber, and Green , categories , the details of the description remain

Police Mutual Data

Database Cull of Records

Feb 21 - 207,093

May 21 -207,036

Sep 21 - 180,516

Loss of 26,520 records

23,671 unmatched records

2186 green records

285 amber records

378 red records

Our estimations are now based on a 70% of force strength rather than 97%
>£125 Below FSI Pay day pmas Have no Save

Measure changes since Feb 21

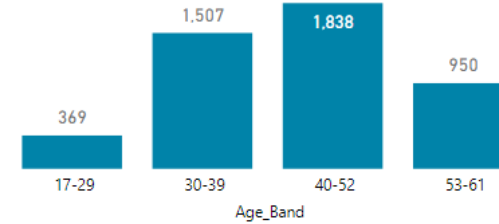
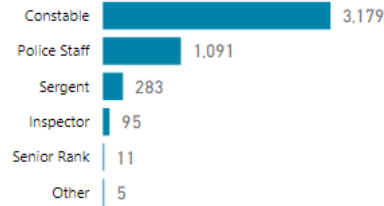
<£125 up 0.6% to 14.6%

<Av FSI up 1.00% to 36.90%

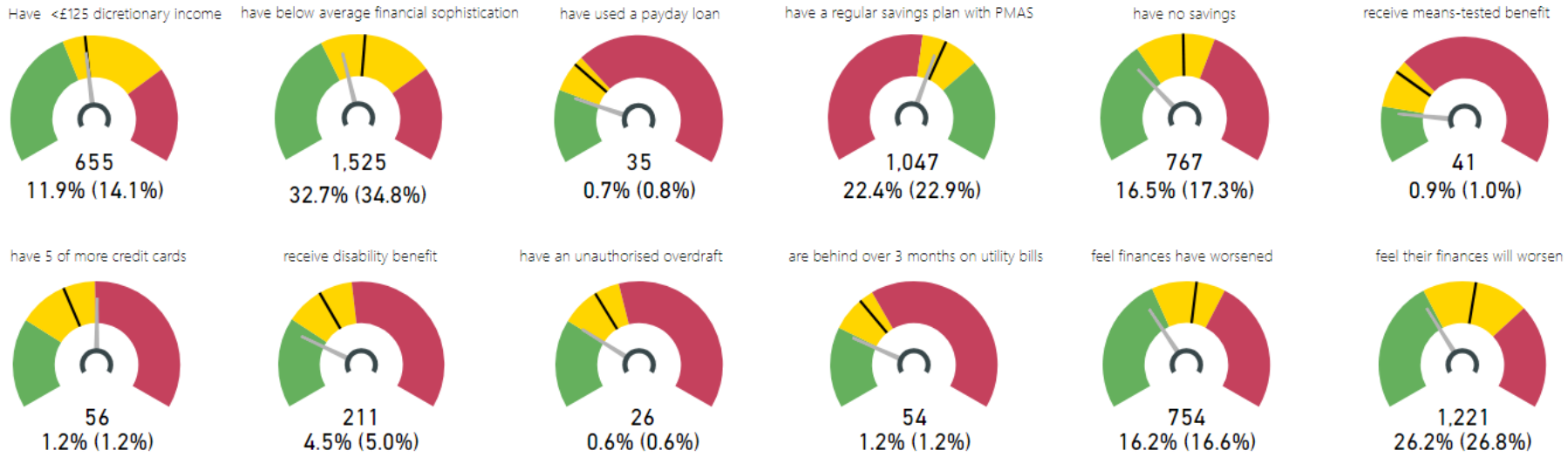
PMAS Save up 1.50% to 23.50%

People
4,664 (98.15%)

Force Size Rank
12th largest of 49



Estimated number of people who...



Estimations have been calculated using Police Mutual data powered by Experian.
Report Last Refreshed: 2020-08-05 at 10:22 [See Home for definitions, methodology and caveats]

Essex Police compared to All Forces

Comparators:

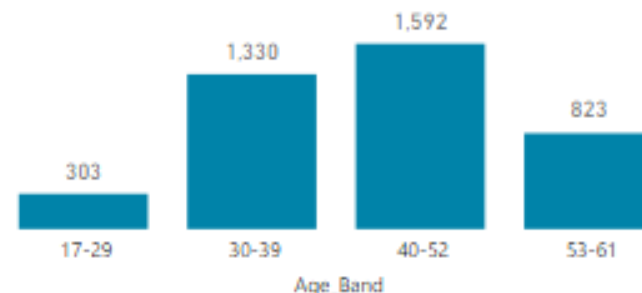
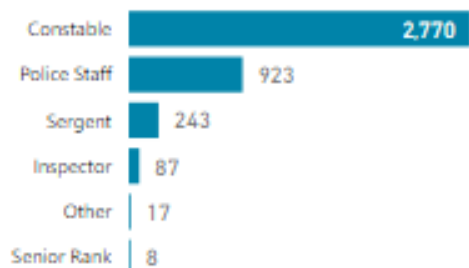
- All UK Police forces
- Regional Forces
- National
- Metropolitan Forces

Key to Dials:

- Black Line** – shows the mean result(est no. of people) of the comparator (result in brackets)
- Grey Needle** – shows the result of the force/group being measured represented by the no. and % not in brackets
- Dial Colours**– Green 25% best forces, Yellow = middle 50%, Red = bottom 25% of forces
- Colour Sizes** – the spread of results ie: small yellow means that 50% of forces have similar results, big red means that 25% of the worse forces have a broad spread of results

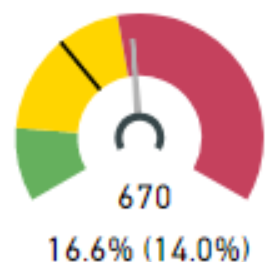
People
4,048 (64.17%)

Force Size Rank
11th largest of 49

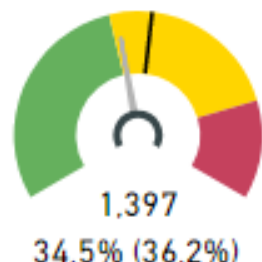


Estimated number of people who...

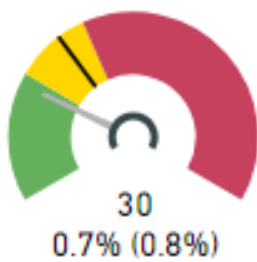
Have <£125 discretionary income



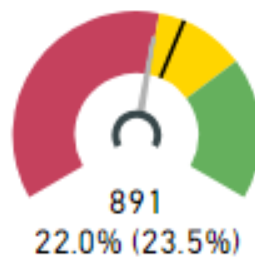
have below average financial sophistication



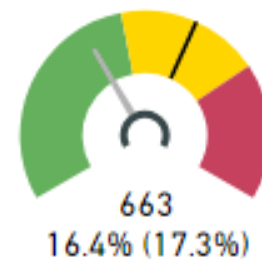
have used a payday loan



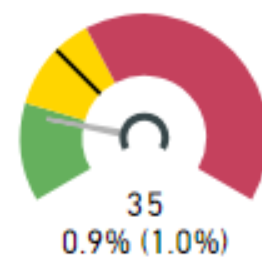
have a regular savings plan with PMA5



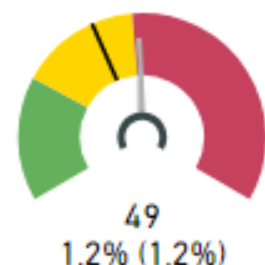
have no savings



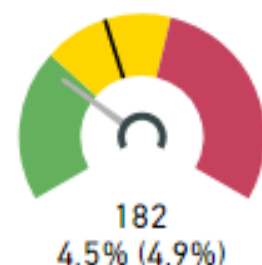
receive means-tested benefit



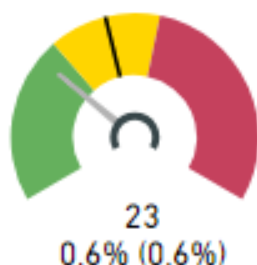
have 5 or more credit cards



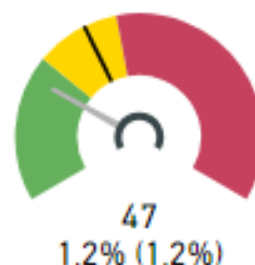
receive disability benefit



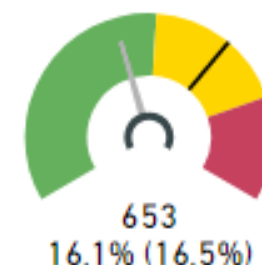
have an unauthorised overdraft



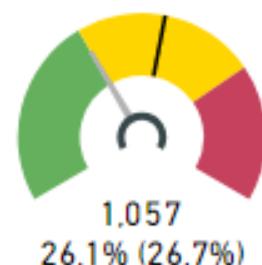
are behind over 3 months on utility bills



feel finances have worsened



feel their finances will worsen



.....have less than £125 discretionary income

Households with less than £125 month of discretionary income (the surplus left over after paying rent, mortgage, utilities, and food, means that unless they have an emergency fund or savings to fall back on, are likely to find it more difficult to claw back following an emergency draw on their finances ie: boiler breakdown, redundancy/ or loss of income. It is therefore even more important for this group to save and protect against these eventualities *We estimate:*

Cohort	UK Forces SEP 21	Essex DEC 19	ESSEX AUG 20	ESSEX SEP 21	Best Force SEP 21	Worst Force SEP 21
All Force Av.	14.60%	11.70%	11.90%	16.60%	8.70%	25.40%
Officers	15.50%	11.30%	11.50%	16.10%	5.30%	23.00%
Staff	21.40%	15.10%	15.30%	21.30%	10.50%	36.10%
Age 17-29	20.60%	12.40%	13.30%	21.50%	4.30%	40.90%
Age 30-39	16.30%	12.00%	11.90%	17.10%	10.10%	29.30%
Age 40-52	14.10%	12.00%	12.10%	16.80%	6.10%	25.30%
Age 53-61	11.30%	10.60%	10.80%	13.50%	5.50%	18.60%

Observations

- Developmental changes have resulted in a reduction of 0.1% to the All force average since Aug 20. In Dec 19, Essex was better than the all force average and in Aug 20, Essex scores had worsened across all cohorts apart from 30-39, however Essex remained better than the all force average. However following recent database changes, Essex is now worse than the all force average across all cohorts

Below average level of financial sophistication/awareness

A Low Financial Sophistication Index indicates limited financial understanding, basic financial needs and indicates limited demand for complex financial products and services. Conversely a high propensity indicates a good level of financial acumen, more complex financial needs and greater demand for more sophisticated financial solutions. *We estimate:*

Cohort	UK Forces SEP 21	Essex DEC 19	Essex AUG 20	Essex SEP 21	Best SEP 21	Worst SEP 21
All Force Av.	36.90%	32.10%	32.70%	34.50%	23.30%	47.70%
Officers	35.70%	31.90%	32.40%	34.20%	15.90%	47.80%
Staff	48.50%	41.00%	41.09%	43.70%	28.60%	63.50%
Age 17-29	52.70%	53.80%	54.20%	47.50%	30.70%	71.300%
Age 30-39	46.60%	41.30%	42.00%	43.40%	29.00%	66.00%
Age 40-52	35.10%	27.90%	29.20%	33.20%	21.30%	48.00%
Age 53-61	22.20%	15.10%	16.30%	17.90%	11.00%	37.80%

Observations

- Since Aug 20, the all force average has risen by 1.4%, whilst Essex has risen by 1.8%.
- Dec 20 saw Essex better across all cohorts and whilst worsened by Aug 20 was largely better across all cohorts.
- Again in Sep 21 whilst Essex scores had worsened with the exception of Staff and the 17-29 cohort, they still remain better than the all force average

Police Personal Loans through Salary Finance

- 58% of loans issued were for Debt Consolidation
- 79% approval of applications with Av. Loan of £6,892. What happens to those rejected?
- South East, East, London, North West & Scotland biggest contributors

Region	% of applications	% of disbursed loans	Avg. loan value	% disbursed loans for debt consolidation
South East	17%	15%	£6,832	61%
East of England	13%	13%	£6,859	52%
London	12%	13%	£5,842	55%
North West	12%	12%	£6,506	56%
Scotland	10%	11%	£7,609	58%
West Midlands	8%	7%	£6,948	60%
Yorkshire and The Humber	7%	7%	£6,448	65%
East Midlands	7%	7%	£7,020	58%
South West	5%	5%	£8,002	60%
North East	5%	5%	£8,035	61%
Wales	4%	4%	£7,381	62%
Northern Ireland	0%	0%	£0	0%
Channel Islands	0%	0%	£0	0%
Isle of Man	0%	0%	£0	0%
Total (as #)	4308	2282	£6,892	1327

30% of loans to New Recruits with less than 2 years service

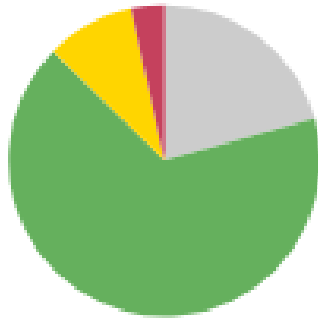
Tenure (active serving only)	% of applications	% of disbursed loans	Approval rate
< 6 months	10%	9%	79%
6 - 12 months	9%	8%	77%
1 - 2 years	13%	13%	79%
2 - 3 years	9%	9%	80%
3 - 5 years	13%	13%	81%
5 - 10 years	12%	13%	85%
10 - 15 years	13%	14%	78%
15 - 20 years	14%	15%	78%
20+ years	6%	7%	78%
Total (as #)	4064	2142	3229

Data provided by Salary Finance – Loan applications YTD as at 31st August 2021 introduced by Police Mutual

Delphi Score August 2020 - Individual

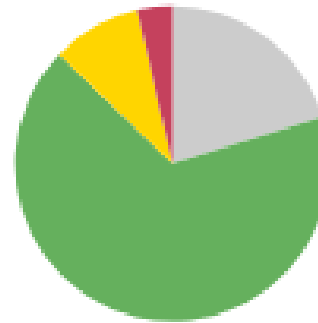
Delphi is a Consumer Credit Risk score between 1 and 1400 (Before June 2021 this was 0 to 1000) ranked in order from best to worst and Green, Amber, Red with the latter 2 bands those more financially highlights those most and least financially vulnerable. We have grouped them into 3 bands vulnerable than the other.

All Forces - Aug 2020



Colour Name	People	% of Population out of Total
	43,161	20.63%
Green	139,607	66.74%
Amber	19,198	9.18%
Red	7,212	3.45%
Total	209,178	100.00%

Essex - Aug 20

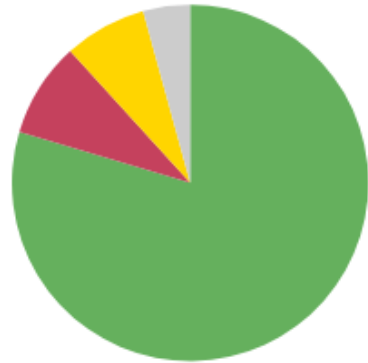


Colour Name	People	% of Population out of Total
	944	20.24%
Green	3,123	66.96%
Amber	431	9.24%
Red	166	3.56%
Total	4,664	100.00%

Delphi Score – Household Level

All Forces – Sep 2021

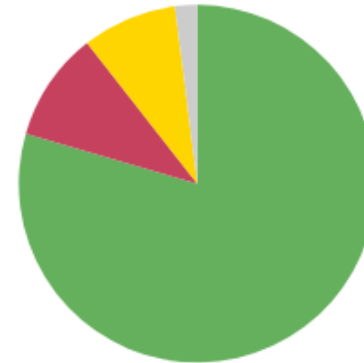
Number of People Display	Credit Char Name
81 (2.00%)	
3,218 (79.50%)	Prime & Super Prime - 1017+ (Old 700+)
348 (8.60%)	Near Prime - 956 to 1016 (Old 600-700)
401 (9.91%)	Non-Prime & Sub Prime - <956 (Old <600)
4,048 (100.00%)	



Colour Name	People	% of Population out of Total
	7,687	4.26%
Green	143,713	79.61%
Amber	13,514	7.49%
Red	15,602	8.64%
Total	180,516	100.00%

Essex – Sep 2021

Number of People Display	Credit Char Name
81 (2.00%)	
3,218 (79.50%)	Prime & Super Prime - 1017+ (Old 700+)
348 (8.60%)	Near Prime - 956 to 1016 (Old 600-700)
401 (9.91%)	Non-Prime & Sub Prime - <956 (Old <600)
4,048 (100.00%)	



Colour Name	People	% of Population out of Total
	81	2.00%
Green	3,218	79.50%
Amber	348	8.60%
Red	401	9.91%
Total	4,048	100.00%

Average Delphi Score by Cohort – Sep 21 Realignment

All Force Average was 795 in Feb 2021 and is now 1124 following realignment
Essex was 791 in Feb 2021 and is now 1104 following realignment

All Force Av.	FEB21	SEP 21
Constables	796	1128
Police Staff	777	1095
Sergeant	826	1173

Essex	AUG 20	FEB 21	SEP21
Constables	779	791	1104
Police Staff	771	780	1086
Sergeant	815	819	1146

All Force Av.	FEB21	SEP 21
17-29 Cohort	774	1098
30-39 Cohort	777	1103
40-52 Cohort	799	1127
53-61 Cohort	817	1124

Essex	AUG 20	FEB 21	SEP 21
17-29 Cohort	772	778	1095
30-39 Cohort	766	779	1089
40-52 Cohort	784	793	1104
53-61 Cohort	804	811	1131

**RED AV.
All Force**

FEB 21 488
SEP 21 855

**RED Av.
Essex**

FEB 21 476
SEP 21 855

✓ In August 20 Essex was below the all force average across all cohorts. . By Feb 21 this had improved across all cohorts but overall just below the all force average. In September 21, following the changes to Delphi and the reduction in database records, Essex remains below all force average with the exception of the oldest cohort.

House Prices , Monthly Mortgage v Rents

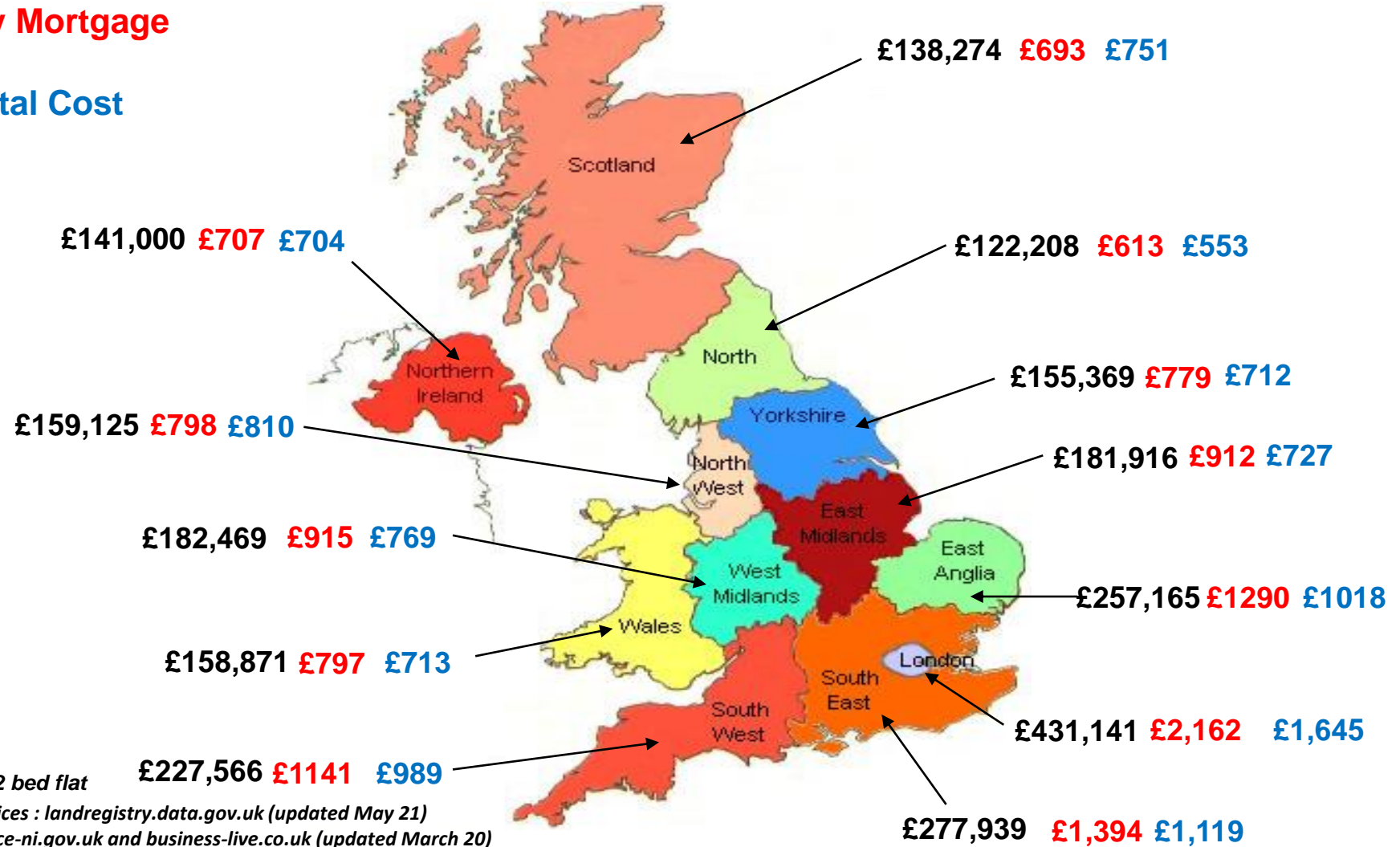
Mortgage cost based on 95% LTV on 4% Repayment basis

AV. FTB House Price

Monthly Mortgage

Cost

Av. Rental Cost

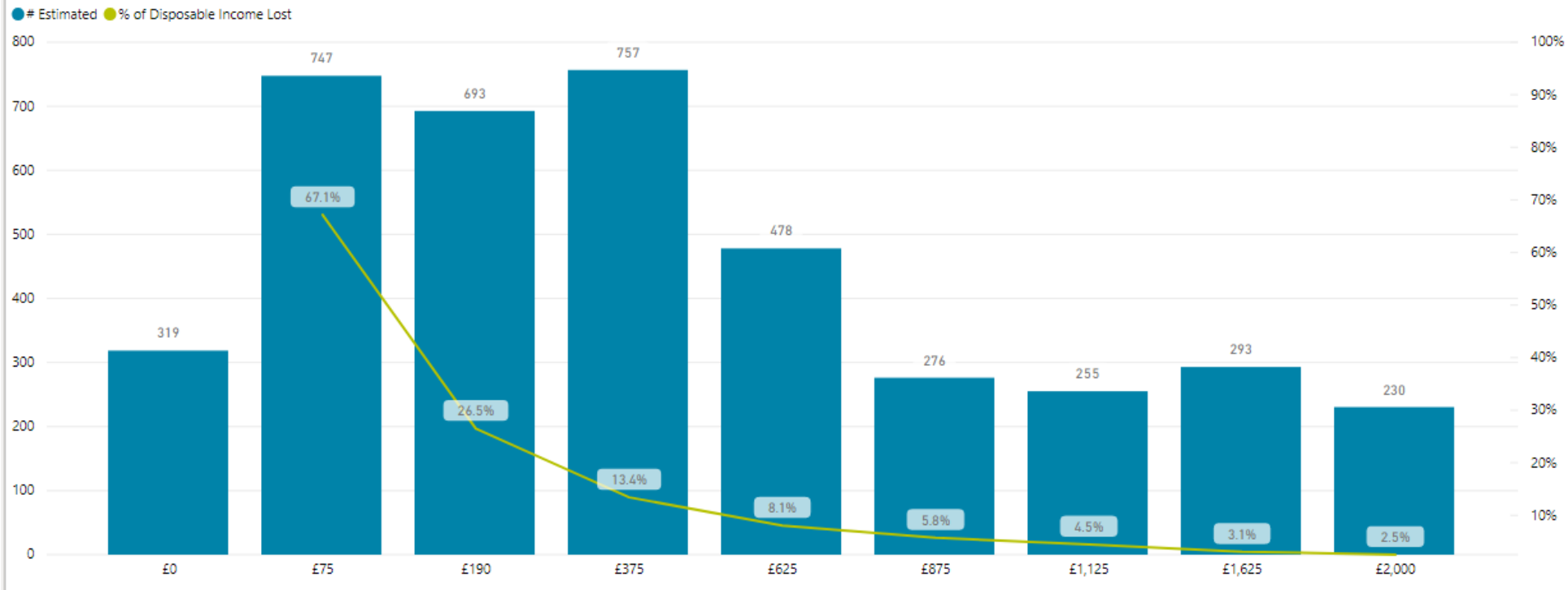


Source: HomeLet (updated July 21) 2 bed flat

England, Wales & Scotland House Prices : landregistry.data.gov.uk (updated May 21)

Northern Ireland House Prices: finance-ni.gov.uk and business-live.co.uk (updated March 20)

House Prices and First Time Buyers



<https://www.gov.uk/government/statistics/uk-house-price-index-summary-december-2020/uk-house-price-index-summary-december-2020>

New Recruits Officers and Staff

Simple 3 steps

Understanding
your income
and payslip

1

Understanding
your bills and
spending

2

Financial
planning for
your career
and life goals.

3

Value of
Police
Pensions

4

Training Day

Risk Assessment
How financially resilient are you?

1

Gathering Intel
Income, Credit Profile, bills & money

2

Proceed with caution
Budget, Interest rates, spending, wills, LPOA

3

Review the evidence
Budget reviews, saving horizons, Police pension

4

Calling Backup
Sources of support help and support

5

Pre Retirement – Financial

Long Term
Planning

1

Budgeting

2

Emergency
Fund

3

Debt
Repayment

4

Medium
Term
Spending

5

Long Term
Investment

6

Pre retirement

Non Financial

Introduction to
retirement
State & Police
Pensions

1

Planning for
Change
Career
Planning

2

Wills & Estate
Planning
Action
Planning

3

Our Virtual Financial Fitness Modules

Effective Cash Management

Insurance

Understanding Borrowing and Credit

Family Finances

First Time Buyer Mortgage

Police Pension Modules

Home Mover & Re Mortgages

Pre Retirement Course

Police Mutual Wellbeing Services

Healthcare

Protection Wills and Estate planning

The State Pension

Effective Cash Management

Building financial resilience

Tax codes & claiming allowances

1

Reduce non essential spending

2

Reviewing direct debits and subscriptions

3

Planning for the short term

4

Planning for the medium term

5

Understanding Borrowing and Credit

Understanding
your bills and
borrowing

1

Options for
Support
COVID19

2

Which Debts
are a Priority

3

Where to get
help

4

Your Credit
Profile

5

Police Mutual Wellbeing Services

Know where to get help

Wellbeing
Toolkit

1

Care line

2

Debt advice
referral

3

Coronavirus
Newsletters

4

Where to find
Help

5

First Time Buyer

Getting on the ladder

Tenure

Freehold
Leasehold
Renting

1

Mortgages

Opportunity
Terminology
Types

2

Planning

Process
Costs
Advice

3

Re Mortgage & Home Mover

Your mortgage needs

Re-mortgage

1

Moving Home

2

Next Steps

3

Protection Wills and Estate Planning

Be prepared and plan ahead

Pension
Scheme

1

Group
Insurance

2

Death
Nominations
and
Beneficiaries

3

Making a Will

4

Estate
Planning

5

Your State Pension

How does it work?

State Pension
qualification
and amount

1

How taxation
affects your
income and
retirement

2

Police Mutual Healthcare

How does it work?

Why protect
your health and
the health of
your family?

1

Police Mutual
discretionary
scheme

2